

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	Chapter 11
	§	
STEWARD HEALTH CARE SYSTEM	§	Case No. 24-90213 (CML)
LLC, et al.,	§	
	§	(Jointly Administered)
Debtors.¹	§	
	§	

**NOTICE OF REJECTION OF CERTAIN
UNEXPIRED LEASES OF NONRESIDENTIAL REAL PROPERTY
AND ABANDONMENT OF PROPERTY IN CONNECTION THEREWITH**

NOTICE TO UNEXPIRED LEASE COUNTER-PARTIES PURSUANT TO BANKRUPTCY RULE 6006, PARTIES RECEIVING THIS NOTICE SHOULD LOCATE THEIR RESPECTIVE NAMES AND LEASES LISTED ON <u>EXHIBIT A</u> ANNEXED HERETO
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PLEASE TAKE NOTICE that, on May 6, 2024 (the “**Petition Date**”),² Steward Health Care System LLC and its affiliated debtors in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the “**Debtors**”), each commenced with the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”) a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”).

PLEASE TAKE FURTHER NOTICE that, on July 10, 2024, the Bankruptcy Court entered an order approving, among other relief, certain procedures for the rejection or amendment of the Debtors’ executory contracts or unexpired nonresidential real property leases (Docket No. 1551) (the “**Rejection/Amendment Procedures Order**”). An electronic copy of the Rejection/Amendment Procedures Order can be found at <https://restructuring.ra.kroll.com/Steward>.

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Rejection/Amendment Procedures Order, the Debtors hereby give notice of their intent to reject

¹ A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://restructuring.ra.kroll.com/Steward>. The Debtors’ service address for these chapter 11 cases is 1900 N. Pearl Street, Suite 2400, Dallas, Texas 75201.

² Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to such terms in the *Motion of Debtors for Entry of an Order (I) Approving Procedures for Rejection of Executory Contracts and Unexpired Leases of Nonresidential Real Property; (II) Amendments to Certain Unexpired Leases of Nonresidential Real Property; (III) Abandonment of Property in Connection Therewith; and (IV) Granting Related Relief* (Docket No. 753).

certain leases as set forth on the schedule annexed hereto as **Exhibit A** (each, a “Rejected Agreement,” and together, the “Rejected Agreements”), effective as of the date of rejection listed for each Rejected Agreement (the “Rejection Date”).

PLEASE TAKE FURTHER NOTICE that, the Debtors intend to abandon the personal property remaining in or on the property that is the subject of the Rejected Agreements as described in the schedule attached hereto as **Exhibit A**. Pursuant to the terms of the Rejection/Amendment Procedures, upon entry of the Rejection/Amendment Procedures Order (defined below), the Landlord shall be entitled to use or dispose of such abandoned personal property without further notice or order of the Court and without notice or liability for such disposal to the Debtors or any third party.

PLEASE TAKE FURTHER NOTICE that, any party wishing to object to the Debtors’ proposed rejection of a lease or abandonment of personal property remaining on the leased premises, must file with the Bankruptcy Court and serve a written objection setting forth the legal and factual bases for such objection (an “**Objection**”) so that it is actually filed with the Bankruptcy Court and served on the following parties no later than July 31, 2024 (the “**Objection Deadline**”): (i) the Landlords affected by the Rejection Notice, and their counsel, if known; (ii) any party known to assert an ownership interest in, or that has filed a UCC-1 Statement against, personal property located at the applicable leased premises; (iii) any party known to assert a lien on any real property subject to the lease or sublease; (iv) the United States Trustee for Region 7 (Attn: Ha Nguyen (Ha.Nguyen@usdoj.gov) and Jana Whitworth (jana.whitworth@usdoj.gov) (the “**U.S. Trustee**”); (v) counsel for the official committee of unsecured creditors, Akin Gump Strauss Hauer & Feld LLP, 1 Bryant Pk, New York, NY 10036, (Attn: Ira S. Dizengoff (idizengoff@akingump.com), Brad M. Kahn (bkahn@akingump.com), and Sarah Schultz (sschultz@akingump.com)); (vi) counsel to the ABL Lenders, Paul Hastings LLP, 200 Park Avenue, New York, NY 10166 (Attn: Kris Hansen (kris.hansen@paulhastings.com) and Christopher Guhin (christopher.guhin@paulhastings.com)); (vii) counsel to the FILO Lenders, Milbank LLP, 55 Hudson Yards, New York, NY 10001-2163 (Attn: Michael Price (mprice@milbank.com) and Brian Kinney (bkinney@milbank.com)); (viii) counsel to the MPT Lenders, KTBS Law LLP, 1801 Century Park East, 26th Floor, Los Angeles, CA 90067-2328 (Attn: Thomas Patterson (tpatterson@ktbslaw.com) and Sasha Gurvitz (sgurvitz@ktbslaw.com)); (ix) counsel to the DIP Lender, KTBS Law LLP, 1801 Century Park East, 26th Floor, Los Angeles, CA 90067-2328 (Attn: Thomas Patterson (tpatterson@ktbslaw.com) and Sasha Gurvitz (sgurvitz@ktbslaw.com)); and (x) counsel to the MPT Prepetition Secured Lender, Baker, Donelson, Bearman, Caldwell & Berkowitz, PC, 1901 Sixth Avenue North, Suite 2600, Birmingham, AL 35203 (Attn: Luther Crull (lcrull@bakerdonelson.com) and Allen Blow (ablow@bakerdonelson.com)) (collectively, the “**Notice Parties**”).

PLEASE TAKE FURTHER NOTICE that if no Objection is filed and served in compliance with the foregoing, the Debtors may submit to the Bankruptcy Court after the Objection Deadline a proposed order approving rejection of the leases (each such order, a “**Rejection Order**”), substantially in the form annexed hereto as **Exhibit B**, and the Bankruptcy Court may enter such order without a hearing. If an Objection is filed for fewer than all of the

leases included on this Rejection Notice, the Debtors may submit a proposed Rejection Order in accordance with the above procedures for the leases for which no Objection was filed.

PLEASE TAKE FURTHER NOTICE that, if an Objection is properly filed and served in compliance with the foregoing and not withdrawn or resolved (an “**Unresolved Objection**”), the Debtors shall file a notice for a hearing for the Court to consider the Unresolved Objection after the Objection Deadline, subject to the Court’s schedule. The Debtors may resolve the Unresolved Objection without further notice or Court approval in advance of the hearing. If the Unresolved Objection is overruled or withdrawn, the effective date of rejection shall be the (i) the Rejection Date; (ii) such other date to which the Debtors and the counterparty to the lease that is the subject of the Unresolved Objection have agreed; or (iii) such other date as determined by the Court.

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Rejection/Amendment Procedures Order, if the Debtors have deposited monies with a lessor as a security deposit or arrangement, such lessor or lease counterparty may not off-set or otherwise use such deposit without prior notice to the Debtors.

PLEASE TAKE FURTHER NOTICE that, to the extent you wish to assert a claim(s) with respect to rejection of your lease, you must do so by the later of (i) the claims bar date established in these chapter 11 cases, and (ii) 30 days after entry of the Rejection Order. If you do not timely file such claim, you will not be treated as a creditor with respect to such claim for voting on any chapter 11 plan in the Debtors’ chapter 11 cases and will be forever barred from asserting a claim for rejection damages and from participating in any distributions made in connection with these chapter 11 cases on account of such rejection damages.

Dated: July 17, 2024
Houston, Texas

/s/ Clifford W. Carlson

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